

## Message Text

CONFIDENTIAL

PAGE 01 NATO 08072 01 OF 02 251123Z  
ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 PM-05 INR-07 L-03 ACDA-07  
NSAE-00 PA-01 SS-15 PRS-01 SP-02 USIA-06 TRSE-00  
NSC-05 OMB-01 IO-13 /079 W  
-----050072 251137Z /12/40

R 251004Z AUG 77  
FM USMISSION NATO  
TO SECSTATE WASHDC 5476  
SECDEF WASHDC  
AMEMBASSY PARIS

C O N F I D E N T I A L SECTION 01 OF 02 NATO 08072

C O R R E C T E D C O P Y TEXT ENTIRE ORIGINAL MESSAGE INCOMPLETE.

3.O. 11652:GDS  
TAGS: MARR, MPOL, NATO  
SUBJECT: NATO DEFENSE INITIATIVES: ADMINISTRATIVE ARRANGE-  
MENTS

REFS: (A) USNATO 7875, DTG 180758Z AUG 77. (B) PO/77/113

SUMMARY. A JOINT MEETING OF THE CBC/MBC (CIVIL BUDGET COMMITTEE/MILITARY BUDGET COMMITTEE) ON 24 AUGUST ARRIVED AT AN INTERIM DECISION TO ALLOW THE SYG/IMS (INTERNATIONAL MILITARY STAFF) TO HIRE THREE CONSULTANTS PENDING EVENTUAL APPROVAL OF DETAILED BUDGETARY DOCUMENTS. FRENCH POSITION REMAINED ADAMANT AGAINST EVENTUAL CHARGE TO THE CIVIL BUDGET, BUT, ON THE BASIS OF NEW INFORMATION, FRENCH REP AGREED TO SEEK MODIFICATION OF HIS INSTRUCTIONS. WE EXPECT CONTRACTS FOR THE CONSULTANTS TO BE READY FOR SIGNATURE BY 1 SEP 77. ACTION REQUESTED: CONFIRMATION THAT THE US CONSULTANT (MR. KRUSE) WOULD BE AVAILABLE BY THAT TIME. END SUMMARY.

1. A JOINT MEETING OF THE CBC/MBC WAS HELD ON 24 AUG 77  
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 NATO 08072 01 OF 02 251123Z

AS NOTIFIED REF A. AGENDA WAS LIMITED TO PROVISION OF FUNDS FOR CONSULTANTS' SERVICES AS REQUESTED REF B.

2. CHAIRMAN BATUK OPENED THE MEETING WITH A STATEMENT THAT THE SYG'S REQUEST IN REF B HAD BEEN ACCEPTED, IN SOME CASES WITH A CERTAIN RELUCTANCE, BY ALL NATIONS EXCEPT FRANCE. A LETTER FROM AMBASSADOR TINE HAD INDICA-

TED THAT FRANCE, NOT HAVING PARTICIPATED IN A DECISION CONCERNING NATO DEFENSE INITIATIVES, COULD NOT AGREE TO CHARGE ANY RESULTING EXPENSES TO A BUDGET TO WHICH FRANCE CONTRIBUTED. HE THEN ASKED THE FRENCH REP (TAXIL) TO CLARIFY FRENCH POSITION. FRENCH REP STATED THAT HIS INSTRUCTIONS HAD NOT CHANGED SINCE THE TIME OF TINE'S LETTER AND THAT HE CONTINUED TO BE GUIDED BY THE TERMS EXPRESSED THEREIN. IN EFFECT, FRANCE COULD NOT CONTRIBUTE TO EXPENDITURES FOR ACTIONS IN WHICH SHE WAS NOT INVOLVED.

3. US REP (LOVELAND) REQUESTED FURTHER CLARIFICATION ON THE APPARENT CONTRADICTION BETWEEN FRANCE'S POSITION SINCE 1967 TO PARTICIPATE IN ALL NATO INTERNATIONAL STAFF EXPENDITURES, IRRESPECTIVE OF WHETHER THEY WERE DEFENSE RELATED, AND THE NEW DENIAL OF PARTICIPATION IN FUNDING FOR THREE CONSULTANTS TO AID THE NATO INTERNATIONAL STAFF (NIS) PERSONNEL IN THEIR CURRENT TASKS. HE FURTHER NOTED THAT THE CONSULTANTS WOULD BE WORKING IN AREAS SUCH AS INTEROPERABILITY AND LOGISTICS, IN WHICH FRANCE WAS INVOLVED AND ABOUT WHICH FRANCE HAD EXPRESSED INTEREST IN CONTACTS WITH THE RELEVANT TASK FORCES. FINALLY HE NOTED THAT THE ADDITIONAL CIVIL BUDGET EXPENDITURES AMOUNTED TO SOME BF 2 MILLION FOR 1977, A RELATIVELY SMALL PROPORTION OF THE TOTAL CIVIL BUDGET AMOUNTING TO BF 2 BILLION FOR THE SAME PERIOD.

4. FRENCH REP STATED THAT HIS AUTHORITIES RECOGNIZED CONFIDENTIAL

CONFIDENTIAL

PAGE 03 NATO 08072 01 OF 02 251123Z

THAT FINANCIAL IMPLICATIONS OF THE PRESENT REQUEST WERE RELATIVELY UNIMPORTANT. THEY WERE VERY INTERESTED, HOWEVER, IN PROTECTING THE PRINCIPLE THAT THEY WOULD NOT PAY FOR EXPENDITURES WHICH THEY HAD NOT SHARED IN MANDATING. IN ADDITION, HE HAD BEEN UNAWARE OF FRANCE'S INTERESTS IN PARTICIPATION IN SOME OF THE DEFENSE INITIATIVES AND IN ANY CASE, ASSUMED THAT NO METHOD OF FRENCH INVOLVEMENT HAD YET BEEN WORKED OUT IN ORDER TO PERMIT FRENCH PARTICIPATION IN EXPENDITURES. HE DID AGREE, HOWEVER, TO GO BACK TO HIS AUTHORITIES WITH THE NEW INFORMATION IN AN ATTEMPT TO MODIFY THEIR POSITION.

5. THE BELGIAN REP (VAN DEN BRANDEN) REMINDED THE COMMITTEES OF THE CONTENT OF THE LETTER FROM HIS AMBASSADOR IN WHICH DEFINITE LIMITS WERE PLACED ON THE AUTHORITY TO BE GIVEN THE SYG PRIOR TO AGREEMENT ON DETAILED BUDGET DOCUMENTS BY THE RELEVANT COMMITTEES. HE FELT THAT THE NIS HAD DONE A POOR JOB OF PREPARING THE COMMITTEES FOR THE DECISIONS BEING ASKED OF THEM, SINCE EVEN AT THE PRESENT MEETING SUCH BUDGET DOCUMENTS WERE NOT AVAILABLE. CANADIAN REP (ALARIE) ENDORSED THE BELGIAN POSITION BUT STATED THAT THE COMMITTEES' JOB WAS TO FIND

A WAY TO IMPLEMENT THE DECISIONS BY MINISTERS WHICH  
REQUIRED THE EXTRA EXPENDITURES. THE UK REP (ASH)  
CONCURRED.

6. US REP NOTED THAT A LETTER FROM THE US MISSION HAD  
CONFIRMED US DEDICATION TO SOUND BUDGETARY PROCEDURES  
AND SAID HE HOPED THE NIS COULD PROVIDE DOCUMENTS ON  
WHICH THE COMMITTEES COULD COME TO A CONSIDERED DECISION.  
IN THE MEANTIME, HOWEVER, THE COMMITTEES' JOB WAS TO  
ADVANCE THE WORK AS MUCH AS POSSIBLE AND, IF THE FRENCH  
POSITION COULD BE SO READ, IT WOULD APPEAR THAT AN  
INTERIM DECISION COULD BE TAKEN TO ALLOW THE SYG THE  
AUTHORITY HE HAD REQUESTED IN REF B. AS COULD BE INFERRED  
FROM THE BELGIAN/CANADIAN/US LETTERS IN RESPONSE TO REF  
CONFIDENTIAL

CONFIDENTIAL

PAGE 04 NATO 08072 01 OF 02 251123Z

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 NATO 08072 02 OF 02 251122Z  
ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 PM-05 INR-07 L-03 ACDA-07  
NSAE-00 PA-01 SS-15 PRS-01 SP-02 USIA-06 TRSE-00  
NSC-05 OMB-01 IO-13 /079 W  
-----050059 251136Z /12/40

R 251004Z AUG 77  
FM USMISSION NATO  
TO SECSTATE WASHDC 5477  
SECDEF WASHDC  
AMEMBASSY PARIS

C O N F I D E N T I A L SECTION 02 OF 02 NATO 08072

C O R R E C T E D C O P Y TEXT ENTIRE ORIGINAL MESSAGE  
INCOMPLETE.

B. THE SYG WOULD BE ENGAGING ONLY FUNDS WHICH WERE  
ALREADY APPROVED AND, SHOULD THE COMMITTEES EVENTUALLY  
NOT REACH AN AGREEMENT ON THE EXTRA FUNDS, HE WOULD HAVE  
TO COVER THOSE OBLIGATIONS BY REDUCING OTHER APPROVED  
EXPENDITURES. SUCH A DECISION SHOULD NOT PRESENT DIFFI-

CULTIES TO FRANCE OR ANY OTHER NATION SINCE IT COMMITTED THEM TO NOTHING PENDING AN EVENTUAL DECISION IN THE CBC AND MBC CONCERNING AMOUNTS AND IMPUTATIONS OF ANY ADDITIONAL FUNDS.

7. NATO FINANCIAL CONTROLLER (CEULEMANS) STATED, WITHOUT CONTRADICTION, THAT, IN THE CURRENT STATE OF NATIONAL POSITIONS, THE US SUGGESTION WAS THE BEST THAT COULD BE HOPED FOR AND WOULD ALLOW THE ENGAGEMENT OF CONSULTANTS BY 1 SEP 77. HE ALSO CONFIRMED THAT THE BELGIAN LIMITATION OF THE INTERIM AUTHORITY TO BF 2.1 MILLION WOULD NOT CONSTITUTE A MAJOR OBSTACLE. HE WOULD PRESENT DETAILED BUDGETARY DOCUMENTS TO THE COMMITTEES AS SOON AS POSSIBLE TO ALLOW THEM TO COMPLETE THEIR WORK ON THE FINAL AMOUNTS AND IMPUTATIONS. HE AND NATO PERSONNEL AND MANAGEMENT REP (VILLALOBOS) CONFIRMED THAT THE US

CONFIDENTIAL

PAGE 02 NATO 08072 02 OF 02 251122Z

REQUEST TO ALLOW THE IMS TO SIGN THE CONTRACT WITH THE CONSULTANTS COULD BE ACCEDED TO IN ORDER TO PROVIDE THE FLEXIBILITY NEEDED SHOULD AN EVENTUAL DECISION IMPUTE THEIR SALARIES TO THE MILITARY BUDGET.

8. ON THE BASIS OF THE ABOVE, THE COMMITTEES AUTHORIZED THE NATO ADMINISTRATION TO SIGN CONTRACTS WITH THE THREE CONSULTANTS ON THE BASIS OF HIS REQUEST IN PO/77/113, WITH A LIMIT OF BF 2.1 MILLION TO ANY INTERIM NATO COMMITMENT. THIS IMPLIES NO NATIONAL COMMITMENT TO AUGMENT CURRENT BUDGETS NOR TO EVENTUAL IMPUTATION BETWEEN THE MILITARY AND CIVIL BUDGETS.

9. THE GREEK REP (ANGELOPOULOS), PLEADING IGNORANCE OF THE SUBJECT BECAUSE HE HAD JUST ARRIVED IN NATO, SUGGESTED THAT THE DECISION WOULD BE SUBJECT TO GREEK RESERVATION WHICH HE HOPED TO LIFT WITHIN ONE WEEK. THE US AND CANADIAN REPS BOTH NOTED THAT GREECE HAD ACCEPTED REF B BY THE SILENCE PROCEDURE AND THAT, SINCE THE PRESENT DECISION DID NOT DEVIATE FROM THE AUTHORITY REQUESTED IN REF B, GREEK ACCEPTANCE COULD BE ASSUMED. THE CHAIRMAN CONFIRMED THIS FACT AND THE GREEK REP CONCURRED.

10. AFTER THE MEETING CEULEMANS INFORMED US THAT, ON THE BASIS OF THE PRESENT DECISION, HE WOULD FUND THE CONTRACT FOR THE CONSULTANTS AND THAT ALL ACTIONS WOULD BE TAKEN TOWARD THEIR AVAILABILITY BY 1 SEP 77.

11. FOLLOWING THE CBC/MBC MEETING, DCM (GLITMAN) MET WITH ACTING SYG PANSA TO DISCUSS RESULTS AND NEXT MOVES. PANSA RECOGNIZED THAT COMMITTEE ACTION HAD PROVIDED INITIAL IMPETUS BUT THAT THE PROBLEMS OF FINANCIAL AUTHORIZATION AND IMPUTATION WOULD STILL HAVE TO BE

CONFIDENTIAL

CONFIDENTIAL

PAGE 03 NATO 08072 02 OF 02 251122Z

WORKED OUT LATER BEFORE THE INTERIM FUNDS WERE DEPLETED. WHILE HE RECOGNIZED THAT CONTACT SHOULD BE TAKEN WITH FRENCH AT A HIGH LEVEL, HE WAS UNSURE AS TO THE NEED FOR AN URGENT APPROACH. WE BELIEVE THAT PANSA OR LUNS SHOULD ADDRESS THESE SUBJECTS (THE FUNDING MATTER AS WELL AS THE FRENCH INVOLVEMENT IN THE NATO DEFENSE INITIATIVES) WITH TIME AS EARLY AS POSSIBLE SINCE THE BUDGET COMMITTEES COULD BE READY FOR FINAL DISCUSSIONS WITHIN A WEEK OR TWO. THE DEPARTMENT MIGHT WISH TO AUTHORIZE EMBASSY PARIS TO FEEL OUT THE FRENCH ATTITUDE ON A LOW KEY -- PERHAPS IN CONNECTION WITH MG BOWMAN'S LETTER TO GEN MARTRE (STATE 199936). DEPENDING ON THE OUTCOME WE COULD THEN USE THE RESULTS OF SUCH A CONTACT TO HELP MOTIVATE PANSA OR LUNS TO MAKE A MORE OFFICIAL APPROACH. BENNETT

CONFIDENTIAL

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** n/a  
**Control Number:** n/a  
**Copy:** SINGLE  
**Sent Date:** 25-Aug-1977 12:00:00 am  
**Decaption Date:** 01-Jan-1960 12:00:00 am  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 22 May 2009  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1977NATO08072  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** RR  
**Errors:** N/A  
**Expiration:**  
**Film Number:** n/a  
**Format:** TEL  
**From:** NATO  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1977/newtext/t19770821/aaaaarfe.tel  
**Line Count:** 244  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE  
**Message ID:** 2184e852-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION EUR  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 5  
**Previous Channel Indicators:** n/a  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
**Reference:** 77 USNATO 7875, PO/77/113  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 14-Oct-2004 12:00:00 am  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 1479377  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** NATO DEFENSE INITIATIVES: ADMINISTRATIVE ARRANGE- MENTS  
**TAGS:** MARR, MPOL, NATO  
**To:** SECSTATE WASHDC WASHDC MULTIPLE  
**Type:** TE  
**vdkgvwkey:** odb://SAS/SAS.dbo.SAS\_Docs/2184e852-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
22 May 2009  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009